



Pro MHI Africa
EU-African University Network to
strengthen community-based micro health
insurance

Extension of Micro Health Insurance to the national level – Possibilities, Challenges and Needs Evidence from Ghana, Burkina Faso and Nigeria

- Working Group Session II –

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Outline

- Introduction
- Mutual Health Insurance and its potential to social protection in Sub-Saharan-Africa
- Extension of Micro Health Insurance to the national level – Evidence from Africa
- Recent Developments and Workshop Contents

1. Introduction

- Micro Health Insurance Units can not be regarded without analysing the external context
- Micro Health Insurance (MHI) usually depend on external relations on the Macro and Meso Level
- External relations are hence crucial within the sustainable development of Micro Health Insurance in Africa

- External relations and public regulation measures often determine about success or failure of a MHI
- External relations on the macro level are often related to financial support which can be regarded as essential as MHI in Africa can be considered as very weak because of lack of adequate financial measures
- Besides of financial measures a general public commitment or technical support is to be linked to macro relations of MHI



2. Mutual Health Insurance and its potential to social protection in Sub-Saharan-Africa

- Less than 15 % of global population is benefiting of any kind of social protection
- Social protection is increasingly considered to guarantee economic growth of the national economy as well (e.g. tool to fight poverty)
- Evidence has shown that Microinsurance is supposed to be an emerging and promising concept in the context of sustainable poverty reduction and social protection

MHI and its potential regarding social protection in SSA

- Mutual health insurance schemes provide high potential to ensure social protection in informal and/or rural sector of the society
- New promising approach of many governments in Sub-Saharan Africa: Integration of mutual health insurance schemes into public social security arrangements to reach excluded population segments
- Community-based character: potential to reach rural and remote areas of the informal sector, adequate products and premiums for the respective focus community, social and physical proximity to the community makes institutions trustworthy , ...



3. Extension of Micro Health Insurance to the national level – Evidence from Africa

MHI and its potential regarding social protection in SSA

Community Health Fund (CHF), Tanzania:

- The CHF was introduced in 1996 by the Ministry of Health
- Voluntary pre-payment scheme, exemptions mechanisms for poor and vulnerable
- Before the establishment of the CHF there were only few mutual health insurance schemes in Tanzania
- Common aim of government: to guarantee access to basic health care for poor and vulnerable groups
- Covers all districts, BUT suffers from low enrolment of members (4 to 18%) and inadequate management skills
- Unstructured responsibilities and organisation structure in the districts, obscure flows of financial resources
- Poor information flow and involvement/participation of crucial stakeholders

MHI and its potential regarding social protection in SSA

Programme de développement des mutuelles de santé, Rwanda:

- Established in 1999, but tradition of mutual health insurance schemes already since the 1960ies
- National health care financing program based on solidarity; „basée sur la solidarité“
- Covers a high percentage (up to 85%) of whole population
- About 294 mutual health insurance schemes all around the country
- Complements the national social security like the Rwandaise d'Assurance Maladie (RAMA)
- Common aim: to reach the informal sector
- Financing: Fonds nationale au solidarité aux mutuelles de santé, enormous support from USAID
- A proper information flow and involvement/participation of crucial stakeholders is ensured => national commitment

MHI and its potential regarding social protection in SSA

- **Rwanda: success story?**
 - Good quality of health care
 - High subsidies of premium
 - Trustful management
 - Strong annual increase in membership
 - No information/communication deficit
 - Bottom-up-oriented = specific support of mutual health schemes
- **Tanzania: the opposite?**
 - Nationwide low coverage
 - Bad quality of services
 - Lack of management skills
 - High number of moral hazard, adverse selection and lack of trust amongst the members
 - Unclear structure/Lack of proper flow and delivery of information
 - Top-down approach = not tailored to specific needs of society?

4. Advantages and Disadvantages

**Possible Advantages for Mutual Health Schemes
within a public system (ideally):**

- Improved access of informal sector employees and rural households to proper health care financing and therefore health care services
- Financial support of schemes
- Technical support of schemes
- National commitment – increased membership and coverage
- Professionalisation of schemes

**Disadvantages and Dangers for Mutual Schemes
within a public system (worst case):**

- Public over-regulation and centralisation
- Loss of autonomy and original character (community- and solidarity-based, non-profit, reaching the poor, relevance of trust..)
- Cost increase
- No access for very poor anymore (high premiums)
- No chance to participate for community members
- No possibility to develop own adequate products
- Case of Ghana: no exchange with other mutual schemes on national and international level anymore



5. Recent Developments and Workshop Content

Nigeria: Implemented a National Health Insurance Scheme in 1999

Ghana: Implemented the National Health Insurance Scheme in 2004

Burkina Faso: Is about to prepare the set up of a National Health Insurance System, the *Système Nationale d'Assurance Maladie* (SNAM) until 2011

Content of the follow-up workshop:

Extension of Micro Health
Insurance to the national level:
Evidence from Nigeria, Ghana and
Burkina Faso

- Common lessons learnt and
lessons to learn

